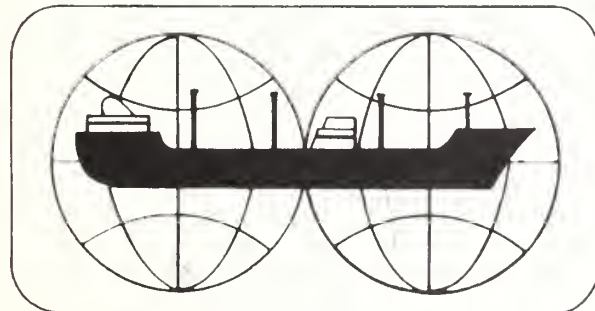
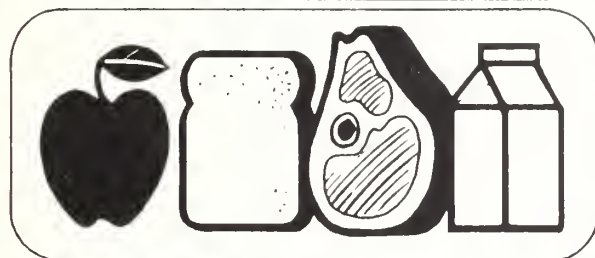
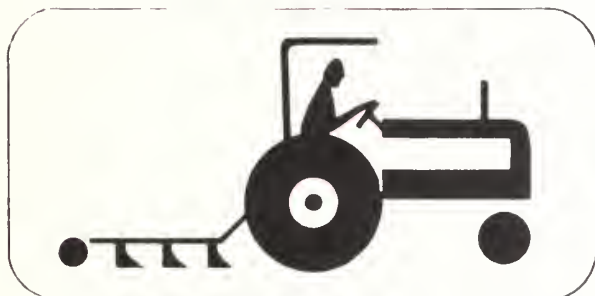


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Do not assume content reflects current scientific knowledge, policies, or practices.



Program Structure Dictionary



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LIBRARY

PROGRAM STRUCTURE DICTIONARY

PREFACE

The Program Structure of the U.S. Department of Agriculture (USDA) is a basic decision framework for multiyear planning, budgeting, operating, and evaluating the performance of programs and use of resources throughout the Department.

The Program Structure consists of several broad program categories that characterize the Department's contributions to achieving national objectives. The program categories encompass all USDA programs.

Each program has a specific objective stated in terms of expected results. A program manager is accountable for resources allocated to the program and responsible for achievement of the intended results. Each program decision unit is administered within a single USDA agency.

This goals-oriented Program Structure was developed to explicitly relate agency operations to Department goals and objectives and the national needs as expressed by the President each year in his budget. It provides a focus for viewing activities with a common purpose throughout the Department. It also provides the means for more effective communication between the Secretary, policy officials, program managers, and employees regarding Departmentwide goals and objectives.

Since this Program Structure is organized primarily in terms of USDA program goals, rather than organization and fund accounts, a device is needed to identify the relationship between program categories, organizational components, and conventional appropriations and fund accounts. The Department's Budget Development and Presentation System serves this purpose.

The Program Structure Dictionary provides (1) a summary statement of the goals, objectives, and programs for each of the program categories, (2) a table linking the major activities of the agencies to the Department's program categories, and (3) a series of program summaries which describe each program conducted by the various agencies in USDA.

Comments or questions regarding the Dictionary may be referred to Robert E. Sherman, U.S. Department of Agriculture, Office of Budget and Program Analysis, Washington, D.C. 20250, (202) 447-6667.

U.S. DEPT. OF AGRICULTURE
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CATALOGING = PREP.

UNITED STATES DEPARTMENT OF AGRICULTURE

PROGRAM CATEGORIES

--AGRICULTURE

- Agricultural Production
- Soil and Water Conservation
- Farm Income Stabilization
- Agricultural Export Development
- Agriculture Marketing Systems
- Management and Use of Forest Resources
- Departmental Program Direction and Administration

--FOOD AND NUTRITION ASSISTANCE

- Domestic Food and Nutrition Assistance
- International Food and Nutrition Assistance

--RURAL COMMUNITY DEVELOPMENT

- Rural Housing Assistance
- Rural Community Assistance

UNITED STATES DEPARTMENT OF AGRICULTURE

GOALS AND OBJECTIVES

PROGRAM CATEGORY: AGRICULTURE

President's National Needs Statement:

Agriculture Function:

- Insure a healthy, free-market oriented U.S. farm economy with minimal Government interference.
- Mitigate the effects of commodity price fluctuations on American farmers through price support, crop insurance, and various agricultural credit programs.
- Encourage the conduct of research to increase the quality and production of agricultural commodities.
- Provide agricultural commodity marketing services on a user fee basis.

General Science, Space, and Technology Function:

- Support long term basic scientific research that is in the broad national interest.

International Affairs Function:

- Help friendly Third World countries develop economically through cooperative actions in trade, investment, energy, and agriculture, consistent with the spirit of the Cancun Summit.
- Promote a smoothly functioning international economic and financial system through responsible participation in international financial institutions.
- Stimulate mutually beneficial trade relations with other countries.

Natural Resources and Environment Function:

- Work with State governments to insure a clean environment, with special emphasis on controlling emissions of hazardous wastes, pesticides, and toxic substances.
- Manage public lands, water, timber, and minerals to balance national needs for their preservation, conservation, and economic development.
- Encourage increased knowledge and understanding of the atmosphere and of the Earth's structure, environment, and natural resources.

Energy Function:

- Establish sound, stable public policies that encourage economically efficient energy production and use.

USDA Goals

- Assure farmers the opportunity to produce adequate supplies of agricultural commodities to meet the expanding needs of domestic and foreign markets at reasonable prices.
- Assure farmers of reasonable protection from adversities that affect earnings from the production and sale of commodities.
- Assure farmers of the availability of means to protect the quality of land and water resources needed to produce commodities efficiently and in a manner consistent with national priorities.
- Increase economic efficiency in the use of resources to produce and process agricultural commodities in order to improve farm income and growth in markets.
- Maintain effective competition in commodity markets to assure access by farmers and reasonable prices.
- Expand export sales of agricultural commodities and products at reasonable prices to provide farmers opportunities for economic growth and increased incomes.
- Enhance the natural environment through the efficient use, development, and protection of natural resources consistent with economic and social priorities and environmental constraints.

USDA Objectives

- Maintain aggregate net farm income at a level at least sufficient to ensure a level of investment commensurate with domestic and foreign market requirements for U.S. produced agricultural commodities.
- Administer agricultural policies and programs to maintain the number of family farms consistent with that needed for maximizing economic efficiency in production.
- Support efforts to strengthen farmer bargaining power in farm commodity and purchased input markets.
- Determine and adopt the most cost effective alternatives for improving U.S. competitive position in international commodity markets.

- Develop and disseminate new technical methods and knowledge that will improve economic efficiency and the conservation of natural resources in the production and processing of agricultural commodities and products in those areas where the private sector is not expected to develop and make available the needed research and technology.
- Reduce or prevent crop and livestock losses from disease, pests and natural disasters and maintain or increase the safety and quality of the nation's food and feed supply for those situations where the private sector is not expected to provide such services in a timely and efficient manner.
- Promote or participate in the development of knowledge and installation and maintenance of soil, water and timber conservation practices to prevent adverse environmental impacts in agricultural forest and rural areas used for commercial purposes and provide suitable economic incentives when applicable to maximize national benefits in relation to Federal costs.
- Develop and implement workable criteria and procedures for cooperating with other Federal agencies and nonfederal governments to encourage the cost effective conservation of natural resources and for contributing to local, State and other agencies to implement national land and water use policy and planning objectives.
- Maintain effective competition in commodity markets through the fair and equitable enforcement of fair trade practices.
- Provide timely, accurate and adequate situation and outlook information on agricultural commodity food and input markets to all participants.
- Negotiate significant liberalization of international trade restrictions to permit a major expansion in U.S. exports of agricultural commodities, food and forestry products.
- Develop and implement more cost effective and flexible export credit programs to increase world trade in U.S. agricultural products.
- Conduct cost effective development and supply of timber and other natural resources on national forest lands consistent with market conditions for sale of those resources, environmental quality standards and alternative public uses of the forest lands.

Contributing Agency Objectives

Agricultural Production

Agricultural Research Service

- To develop new knowledge and technology to improve agricultural production through the conduct of basic, applied, and developmental research primarily focused on broad regional and national problems.

Animal and Plant Health Inspection Service

- To protect animals and plants contributing to agricultural production from diseases and pests.

Cooperative State Research Service

- To provide national leadership, coordination, and financial assistance for agricultural research programs in the food and agricultural sciences conducted or financed by the State departments of agriculture and to the maximum extent practicable by other Federal agencies and State and private institutions.

Extension Service

- To provide national leadership, coordination, and financial assistance for extension and teaching programs in the food and agricultural sciences conducted by State and local extension systems, and to the maximum extent practicable by other Federal agencies and State and private institutions.

National Agricultural Library

- To acquire and disseminate useful information about agricultural and other related sciences to scientists, researchers, administrators, managers, farmers, and the general public.

Farmers Home Administration

- To insure the availability of loans at reasonable interest rates to individuals for farm ownership and operations.

Soil and Water Conservation

Agricultural Research Service

- To conduct and coordinate a national resource conservation research program for the benefit of farmers, land owners, and consumers.

Agricultural Stabilization and Conservation Service

- To encourage, primarily through financial assistance, the development and conservation of natural resources on nonfederal, agricultural, and rural lands.
- To provide emergency assistance to farmers in times of natural disasters in order to reestablish effective land conservation measures and, thereby, reestablish the productive capacity of the land.

Soil Conservation Service

- To provide technical assistance to State and local governments, individuals, and groups involved in land and water conservation efforts, including watershed protection and development on nonfederal lands.
- To collect, analyze, and assess data essential for effective planning to conserve land and water resources.
- To provide emergency assistance to individuals and local areas in times of natural disasters to reestablish watersheds in order to protect land and water resources for the purposes of flood control, power, water supply, and agricultural production.

Farm Income Stabilization

Commodity Credit Corporation

- To assure adequate returns to farmers, minimize fluctuations in commodity prices, and establish food reserves as a hedge against crop failure here and abroad.

Federal Crop Insurance Corporation

- To improve the economic stability of agriculture through a sound system of crop insurance.

Agricultural Marketing Service

- To provide price assistance to producers by removing surplus perishable agricultural commodities from regular market channels.

Economic Research Service

- To develop and disseminate economic information related to agriculture and rural America to aid agricultural policy and program development decisions.

Statistical Reporting Service

- To develop and disseminate national and State agricultural statistics to aid agricultural policy and program development decisions.

World Agricultural Outlook Board

- To improve the consistency, objectivity, and reliability of world food and agricultural outlook and situation material being disseminated to the public.

Agricultural Export Development

Foreign Agricultural Service

- To develop, maintain, and expand foreign markets for U.S. farm products.
- To collect, analyze, and disseminate data to aid in the development and expansion of foreign markets for U.S. farm products.
- To formulate, through The General Sales Manager, agricultural trade credit policy and to provide program administration for Public Law 480 programs and export credit programs in order to promote expansion of world export markets for U.S. agricultural products.

Public Law 480

- To provide for sales of agricultural commodities for foreign currencies and dollars on credit terms.

Commodity Credit Corporation

- To promote export of agricultural products through the use of commodity trade credit financing.

Office of International Cooperation and Development

- To coordinate USDA's International Scientific and Technical Exchange activities.

Agricultural Marketing Systems

Agricultural Research Service

- To conduct and coordinate national research programs for processing, storage, distribution, and wholesomeness of agricultural products for the benefit of farmers, processors, distributors, and consumers.

Agricultural Marketing Service

- To assist in advancing orderly and efficient marketing and effective distribution of farm products.
- To encourage production and preparation of uniform quality products for market and to furnish consumers with better information on the quality of products they buy.

Federal Grain Inspection Service

- To carry out an effective, uniform, Government-wide grain inspection and weighing program.

Food Safety and Inspection Service

- To protect consumers from unwholesome meat and poultry products.

Packers and Stockyards Administration

- To assist in the maintenance of fair competitive practices in the marketing of livestock, meat, and poultry.

Agricultural Cooperative Service

- To promote and assist farm cooperatives for the benefit of the farmer.

Management and Use of Forest Resources

Forest Service

- To conduct forest research programs in order to assure a continuing viable supply of forest resources on Federal and private land while conserving natural resources and preserving the environment.
- To develop a sustained timber supply, conserve natural resources including wildlife habitat, provide recreation opportunities, and assure effective conservation of Federal lands.
- To assist State and local governments financially in the development of timber resources on private lands by providing a percentage of Forest Service receipts to States and local entities.

Departmental Program Direction and Administration

Office of the Secretary

Office of the General Counsel

Office of Governmental and Public Affairs

Office of Inspector General

Office of Budget and Program Analysis

Departmental Administrative Offices

- To provide overall guidance, direction, and administrative support for Departmental programs.
- To provide centrally operated services for Departmental programs where such centralization results in improved operating efficiency and effectiveness.

UNITED STATES DEPARTMENT OF AGRICULTURE

GOALS AND OBJECTIVES

PROGRAM CATEGORY: FOOD AND NUTRITION ASSISTANCE

President's National Needs Statement:

Income Security Function:

- Assure that food and shelter are available to the poor, particularly to dependent children, the elderly, and the disabled.
- Administer income security programs efficiently, protecting the American taxpayer from costly fraud, waste, and abuse.

International Affairs Function:

- Provide humanitarian assistance abroad.

USDA Goals

- Reduce poverty-related hunger and malnutrition in the U.S. through the use of food and nutrition assistance programs.
- Assist friendly nations in times of emergency to overcome famine and malnutrition.

USDA Objectives

- Improve food assistance programs and minimize costs to the Federal taxpayer, while assuring that the most needy Americans will have resources to obtain U.S. agricultural products necessary for an adequate diet.
- Improve research-based knowledge of the nutritional deficiencies and requirements of low-income and other vulnerable population groups.
- Enable the U.S. to participate with other countries in meeting the most urgent humanitarian needs for emergency food aid abroad.
- Provide food to friendly nations to combat famine and malnutrition in emergency situations.

Contributing Agency Objectives:

Domestic Food and Nutrition Assistance

Food and Nutrition Service

- To reduce poverty-caused hunger and malnutrition in the U.S. by providing food and financial assistance to those most in need of nutritional sustenance.

Agricultural Research Service

- To conduct and coordinate a national food use and human nutrition research program for the benefit of consumers most in need of improved nutrition in their food selection and diet.

Human Nutrition Information Service

- To acquire and disseminate human nutrition information to Government agencies with missions related to nutrition, to private industry, and to consumers and consumer groups.

Foreign Food and Nutrition Assistance

Foreign Agricultural Service - Public Law 480

- To supply commodities without cost to friendly nations in times of famine and when emergency relief is needed, and thereby provide expanded outlets for U.S. agriculture products.

UNITED STATES DEPARTMENT OF AGRICULTURE

GOALS AND OBJECTIVES

PROGRAM CATEGORY: RURAL COMMUNITY DEVELOPMENT

President's National Needs Statement:

Community and Regional Development Function:

- Transfer primary responsibility for administering specific community, regional, and economic development programs to State and local governments.
- Provide Federal financial assistance to State and local governments to help them identify and resolve essential community, regional, and economic needs in their own manner.

Commerce and Housing Credit Function:

- Reduce Federal involvement in the nation's credit markets to help relieve pressure on interest rates. Reduce the size of current Federal credit programs as one contribution to this end.
- Encourage the restructuring of the mortgage lending industry.
- Target scarce Federal commerce and housing credit resources to those who are not adequately served by private credit markets, including residents of distressed urban and rural areas.

USDA Goals

- Encourage the development of rural areas in order to improve the quality of life, achieve balanced growth, increase well-being, and expand employment opportunities.

USDA Objectives

- Encourage and enable home ownership in rural areas for the most needy where the private credit market is not available through providing financial assistance for rural housing while encouraging the maximum, efficient use of private credit institutions.
- Stimulate and support local and State planned growth in developing rural area electric, telephone, water and waste disposal, and other community facilities and services by supplementing private and local government financing with Federal assistance in those rural areas having the greatest need to correct health and safety problems and provide basic community services.

Contributing Agency Objectives:

Rural Housing Assistance

Farmers Home Administration

- To provide opportunity for rural housing ownership, rental, and repair to those of greatest financial need through loans and other supplemental financial assistance.

Rural Community Assistance

Farmers Home Administration

- To administer programs providing loans and grants in rural areas.
- To improve rural community development through loans and other supplemental financial assistance in areas with most severe health and safety problems.

Rural Electrification Administration

- To assure that rural communities have access to reliable electric and telephone services at reasonable rates by providing supplemental loan and loan guarantee financing where most needed.

Extension Service

- To provide information, training, and skills development to individuals to help them in solving farm, home, and rural community problems.

UNITED STATES DEPARTMENT OF AGRICULTURE

LISTING OF
PROGRAMS
BY
PROGRAM CATEGORY

USDA PROGRAM STRUCTURE DICTIONARY

USDA PROGRAMS

AGRICULTURE

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| 17 | Research on Plant Production (ARS) |
| 18 | Grants and Payments to States to Supplement State and Local Funding for Agricultural Research (CSRS) |
| 18 | Cooperative State Research Program Coordination and Planning (CSRS) |
| 19 | Grants and Payments to States to Supplement Funding of State and County Extension Offices (ES) |
| 19 | Extension Program Coordination and Planning (ES) |
| 31 | Animal and Plant Disease and Pest Control (APHIS) |
| 31 | Animal and Plant Health and Sanitary Regulatory Activities (APHIS) |
| 20 | Dissemination of Information about Agricultural and Other Related Sciences (NAL) |
| 13 | Energy Program Coordination (OE) |
| 26 | Farm Ownership Loans (FmHA) |
| 26 | Farm Operating Loans (FmHA) |
| 27 | Grazing Loans (FmHA) |

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| 21 | Conservation Technical Assistance (SCS) |
| 21 | Inventory and Monitoring (SCS) |
| 21 | Soil Surveys (SCS) |
| 21 | Snow Survey Water Forecasting (SCS) |

Soil and Water Conservation (continued)

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| 21 | Operations of Plant Materials Centers (SCS) |
| 21 | Resource Appraisal and Program Development (SCS) |
| 22 | River Basin Surveys and Investigations (SCS) |
| 22 | Soil and Water Conservation Grants (SCS) |
| 22 | Watershed Planning (SCS) |
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- 50 Statistical Research (SRS)
- 51 Coordinate Collection and Use of Food and Agriculture
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Research (OICD)
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- 43 Development of Foreign Markets (FAS)
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- 44 Public Law 480, Titles I and III - Financing Agricultural
Export Sales to Developing Nations (FAS)

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- 32 Market News Service (AMS)
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13 Central Services (DA)

14 Public Affairs (OGPA)

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14 Intergovernmental Affairs (OGPA)

15 Audits and Investigations (OIG)

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FOOD AND NUTRITION ASSISTANCE

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RURAL COMMUNITY DEVELOPMENT

Rural Housing Assistance

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| 28 | Very Low-Income Housing Repair Grants (FmHA) |
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Rural Community Assistance

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| 24 | Rural Telephone Bank - RTB (REA) |

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| 29 | Water and Waste Disposal Grants (FmHA) |
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UNITED STATES DEPARTMENT OF AGRICULTURE

AGENCY AND
PROGRAM CATEGORY
LINKAGE

OVERVIEW OF HOW USDA AGENCIES

| Agency and Staff Offices | | PROGRAM CATEGORIES | | | | | |
|---|---|-------------------------------|--------------------------------|-------------------------------|--------------------------------|------------------------------|-----------|
| | | AGRICULTURE | | | | | |
| Abbrev- iation : | Name | Agricultural: Production : | Soil & Water: Conservation: | Farm Income:Stabilization: | Agricultural: Development : | Agricultural: Marketing : | Systems : |
| <u>NATURAL RESOURCES AND ENVIRONMENT</u> | | | | | | | |
| FS | Forest Service | | X | | X | | |
| SCS | Soil Conservation Service | | X | | | | |
| <u>SCIENCE AND EDUCATION</u> | | | | | | | |
| ARS | Agricultural Research Service | X | X | | X | X | |
| CSRS | Cooperative State Research Service | X | X | | X | X | |
| ES | Extension Service | X | X | | X | X | |
| NAL | National Agricultural Library | X | X | | X | X | |
| <u>INTERNATIONAL AFFAIRS AND COMMODITY PROGRAMS</u> | | | | | | | |
| ASCS | Agricultural Stabilization and Conservation Service | | X | X | X | | |
| CCC | (Commodity Credit Corporation) | | | X | X | | |
| FAS | Foreign Agricultural Service | | | | X | | |
| PL 480 | Public Law 480 | | | | X | | |
| OICD | Office of International Cooperation and Development | | | | X | | |
| <u>FOOD AND CONSUMER SERVICES</u> | | | | | | | |
| FNS | Food and Nutrition Service | | | | | | |
| HNIS | Human Nutrition Information Service | | | | | | |
| <u>RURAL DEVELOPMENT</u> | | | | | | | |
| FCIC | Federal Crop Insurance Corporation | | | | X | | |
| FmHA | Farmers Home Administration | X | X | | X | | |
| REA | Rural Electrification Administration | | | | | | |
| (RTB) | (Rural Telephone Bank) | | | | | | |
| ORDP | Office of Rural Development Policy | X | X | | X | | |
| <u>ECONOMICS</u> | | | | | | | |
| WAOB | World Agricultural Outlook Board | | | | X | X | |
| ERS | Economic Research Service | X | X | X | X | | X |
| SRS | Statistical Reporting Service | X | X | X | X | | X |
| OE | Office of Energy | X | | | | | X |
| <u>MARKETING AND TRANSPORTATION SERVICES</u> | | | | | | | |
| ACS | Agricultural Cooperative Service | | | | | | X |
| AMS | Agricultural Marketing Service | | | X | | | X |
| APHIS | Animal and Plant Health Inspection Service | X | | | X | X | X |
| FGIS | Federal Grain Inspection Service | | | | X | X | X |
| FSIS | Food Safety and Inspection Service | | | | X | X | X |
| OT | Office of Transportation | | | | X | X | X |
| P&SA | Packers and Stockyards Administration | | | | | | X |
| <u>DEPARTMENTAL DIRECTION AND ADMINISTRATION</u> | | | | | | | |
| SEC | Office of the Secretary | | | | | | |
| OGC | Office of the General Counsel | | | | | | |
| OGPA | Office of Governmental and Public Affairs | | | | | | |
| OIG | Office of the Inspector General | | | | | | |
| OBPA | Office of Budget and Program Analysis | | | | | | |
| DA | Departmental Administrative Offices | | | | | | |

FIT INTO THE PROGRAM STRUCTURE

| PROGRAM CATEGORIES | | | | | | |
|----------------------|--------------------|-------------------------------|-----------------|-----------------------------|-----------------|-------------------|
| AGRICULTURE (Cont'd) | | FOOD AND NUTRITION ASSISTANCE | | RURAL COMMUNITY DEVELOPMENT | | |
| Abbrev- | : Management | : Departmental | : Domestic Food | : International Food | : Rural Housing | : Rural Community |
| iation | : and Use of | : Direction and | : and Nutrition | : and Nutrition | : Assistance | : Assistance |
| | : Forest Resources | : Administration | : Assistance | : Assistance | : Assistance | : Assistance |
| FS | X | | | | | |
| SCS | | | | | | |
| ARS | | | X | | X | X |
| CSRS | X | | X | | X | X |
| ES | X | | X | | X | X |
| NAL | X | | X | | X | X |
| ASCS | X | | | | | |
| CCC | | | | | | |
| FAS | | | | X | | |
| PL 480 | | | | X | | |
| OICD | | | | X | | |
| FNS | | | X | | | |
| HNIS | | | X | | | |
| FCIC | | | | | | |
| FmHA | | | | | X | X |
| REA | | | | | | X |
| (RTH) | | | | | | (X) |
| ORDP | | | | | X | X |
| WAOB | | | | | | |
| ERS | X | | X | | X | X |
| SRS | X | | X | | X | X |
| OE | | | | | | |
| ACS | | | | | | |
| AMS | | | | | | |
| APHIS | | | | | | |
| FGIS | | | | | | |
| FSIS | | | | | | |
| OT | | | | | | |
| P&SA | | | | | | |
| SEC | | X | | | | |
| OGC | | X | | | | |
| OGPA | | X | | | | |
| OIG | | X | | | | |
| OBPA | | X | | | | |
| DA | | X | | | | |

UNITED STATES DEPARTMENT OF AGRICULTURE

SUMMARY DESCRIPTION

OF

PROGRAMS

OFFICE OF THE SECRETARY

Departmental Direction and Coordination - The Secretary of Agriculture, assisted by the Deputy Secretary, Under Secretaries, Assistant Secretaries, and members of their immediate staffs, directs and coordinates the work of the Department. This includes developing policy, maintaining relationships with agricultural organizations and others in the development of farm programs, and maintaining liaison with the Executive Office of the President and members of Congress on all matters pertaining to agricultural policy.

Administrative Law Judges - Hold rulemaking and adjudicatory hearings and issue initial decisions and orders. The Judicial Officer serves as final deciding officer in regulatory proceedings.

DEPARTMENTAL ADMINISTRATION

Activities carried out by Departmental staff offices include:

1. Budget and Program Analyses - Overall direction and administration of the Department's budget functions including development, presentation, execution control, reporting, and adjusting fund and manpower resources; evaluation of program and legislative proposals for program, budget, and related resource implications; and analysis of program and resource issues and alternatives and preparation of summaries of pertinent data to aid Departmental policy officials and agency program managers in the decisionmaking process.
2. Administrative Management - This office provides:
 - Staff and support services to agency programs in the management of real and personal property, procurement, contracts, financial affairs, management improvement, and automated data processing.
 - The personnel management program of the Department.
 - Coordination and supervision of equal opportunity responsibilities in the Department's programs and employment.
 - Management and administration of safety and health activities of the Department.
 - Oversight of all procurement activities to assure maximum participation of small and disadvantaged business in the procurement process.
3. Energy Program Coordination - The Office of Energy functions as the coordinator of the Department's energy policies and strategies and serves as the Department's liaison with the Department of Energy and other Government agencies.
4. Central Service - In addition to the staff activities indicated above, the Department staff offices provide certain central services to the agencies of the Department. These activities are currently financed under the Department's Working Capital Fund (7 U.S.C. 2235) and include personnel, central accounting, payroll, voucher payments, billings and collections, supply, reproduction, visual information, and computer services.

OFFICE OF GOVERNMENTAL AND PUBLIC AFFAIRS

Governmental and Public Affairs serves as the central organization to insure consistency and coordination of the Department's public information and external affairs activities, maintaining liaison with the Congress and White House on legislative matters, and directing the defense and emergency preparedness programs of the Department.

The three major programs are:

1. Public Affairs - Provides direction, leadership, and balance in the development and delivery of useful information, through all media, to the public on USDA's research, educational, and regulatory activities.
2. Congressional Affairs - Maintains liaison with the Congress and the White House on legislative matters of concern to the Department and exercises responsibility for the coordination of all Congressional matters except budgetary affairs of the Department.
3. Intergovernmental Affairs - Directs and coordinates all programs involving the implementation of USDA policies and procedures applicable to the Department's intra and intergovernmental relations, defense program, and emergency preparedness program.

OFFICE OF THE INSPECTOR GENERAL

Audits and Investigations - Pursuant to the Inspector General Act of 1978, the Office of the Inspector General:

- (1) Provides policy direction and conducts, supervises, and coordinates all audits and investigations;
- (2) Reviews existing and proposed legislation and regulations and makes recommendations to the Secretary and Congress regarding the impact such initiatives will have on the economy and efficiency of the Department's programs and operations and the prevention and detection of fraud and abuse in such programs;
- (3) Recommends policies for and conducts, supervises, or coordinates other activities in the Department whose purposes are to promote economy and efficiency or prevent and detect fraud and abuse;
- (4) Recommends policies for and conducts, supervises, or coordinates relationships between the Department and other Federal, State, and local government agencies concerning: (a) promoting economy and efficiency, (b) preventing and detecting fraud and abuse, and (c) identifying and prosecuting people involved in fraud or abuse, and
- (5) Keeps the Secretary and the Congress fully and currently informed about fraud, other serious problems, abuses, and deficiencies in Department programs and operations; recommends corrective action; and reports on the progress made in correcting the problem.

OFFICE OF THE GENERAL COUNSEL

The Office provides all essential and necessary legal advice and services for the Department's ongoing programs, taking into consideration not only immediate needs but future requirements as well.

The Office provides reimbursable services to two principal recipients: (1) Forest Service relating to the acquisitions of lands and related activities under the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601 et seq), and (2) Farmers Home Administration relating to Disaster and Related Loans under Agricultural Credit Programs.

AGRICULTURAL RESEARCH SERVICE

Research on animal production -

Research on plant production -

Research on use and improvement of soil, water, and air -

Research on human nutrition -

Research on processing, storage, distribution, food safety, and consumer

services - Agricultural Research Service (ARS) is responsible for conducting basic, applied, and developmental research. The research applies to a wide range of goals; commodities; natural resources; fields of science; and geographic, climatic, and environmental conditions. It is categorized into 67 ARS National Research Programs and 8 Special Research Programs.

As the USDA's in-house agricultural research unit, ARS has major responsibilities for conducting and leading the national agricultural research effort. ARS provides initiative and leadership in five areas:

- Research on broad regional and national problems.
- Research to support Federal action and regulatory agencies.
- Expertise to meet national emergencies.
- Research support for international programs.
- Scientific resource to the executive branch and Congress.

The mission of ARS research is to develop new knowledge and technology which will insure an abundance of high quality agricultural commodities and products at reasonable prices to meet the increasing needs of an expanding economy and to provide for the continued improvement in the standard of living of all Americans. This mission focuses on the development of technical information and technical products which bear directly on the needs to (1) manage and use the Nation's soil, water, air, and climatic resources, and improve the Nation's environment; (2) provide an adequate supply of agricultural products by practices that will maintain a permanent and effective agriculture; (3) improve the nutrition and well-being of the American people; (4) improve living in rural America; and (5) strengthen the Nation's balance of payments.

COOPERATIVE STATE RESEARCH SERVICE

The Cooperative State Research Service (CSRS) participates in a nationwide system of agricultural research program planning and coordination between the States and USDA which encourages and assists in the establishment and maintenance of cooperation within and among the States and between the States and their Federal research partners. The primary function is the administration of grants and payments to States to supplement State and local funding for agricultural research carried on by the State agricultural experiment stations of the 50 States, Puerto Rico, Guam, the Virgin Islands, the District of Columbia, American Samoa, and Micronesia; by approved schools of forestry; the 1890 land- grant institutions and Tuskegee Institute; colleges of veterinary medicine; and other eligible institutions.

The Cooperative State Research program coordination and planning is carried out by a CSRS staff located entirely in the Washington, D.C., area.

EXTENSION SERVICE

Cooperative extension work was established by the Smith-Lever Act of May 8, 1914, as amended. The legislation authorizes the Department of Agriculture to give, through the land-grant colleges, instruction and practical demonstrations in agriculture, home economics, and related subjects and to encourage the application of such information by demonstrations, publications, and other means to persons not attending or resident in the colleges. This work is further emphasized in Title XIV (National Agricultural Research, Extension, and Teaching Policy) of the Food and Agriculture Act of 1977, as amended by the Agriculture and Food Act of 1981.

Grants and payments to States to supplement funding of State and county extension offices in each State, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and Micronesia are made to support the conduct of educational programs to fulfill these requirements

The Extension program coordination and planning within USDA administers extension work nationally.

NATIONAL AGRICULTURAL LIBRARY

The National Agricultural Library (NAL) had its mission outlined by the Organic Act of 1862, establishing USDA. The act sets forth a mission, "to acquire and to diffuse among the people of the United States useful information on subjects connected with agriculture in the most comprehensive and general sense of the word," and placed upon the Secretary the responsibility to "procure and preserve all information concerning agriculture which he can obtain by means of books"

NAL has as its ultimate purpose the dissemination of useful information about agricultural and other related sciences to scientists and researchers, administrators and managers, farmers, and to the general public. In addition to providing traditional library services such as bibliographies, reference services, and document delivery to agricultural scientists and researchers, NAL is expanding its role and serving a wider audience by using modern information dissemination technology to its fullest. Traditionally, the library has concentrated its thrust towards the agricultural scientist and researchers. The wider audience includes Federal, State, and local groups at all levels and the general public.

With approximately 1.6 million volumes of printed material on agriculture and supporting scientific disciplines, NAL has one of the largest collections of its kind in the world. Both current and historical information is collected and organized for effective utilization by a wide range of users. NAL also provides input of U.S. publication to AGRIS, the International Information System for the Agricultural Sciences and Technology.

NAL operations are carried out at the NAL Building at Beltsville, Maryland. Specialized services are provided from a branch library in Washington, D.C., which includes the law collection and social sciences materials. Service is provided from these locations as well as 18 officially designed field libraries in the States and 30 "information" centers containing a total of approximately a quarter of a million volumes.

SOIL CONSERVATION SERVICE

Technical programs are carried out in cooperation with conservation districts and other sponsoring local organizations. The Soil Conservation Service (SCS) provides technology transfer through soil conservation districts to land users, communities, watershed groups, Federal and State agencies, and other cooperators with erosion control and water management problems to bring about needed land treatments and physical adjustments in land use. The purpose is to improve and conserve soil and water resource quantity and quality, improve agriculture, and reduce damage caused by floods and sedimentation.

SCS has general responsibility for administration of the following programs of the Department of Agriculture:

Conservation Operations, authorized by Public Law 74-46 (16 U.S.C. 590a-590f), include the following:

1. Conservation Technical assistance to district cooperators and other land users in the planning and application of conservation treatments to control erosion and improve the quantity and quality of soil resources; improve water quality and water supply; enhance fish and wildlife habitat; conserve energy; improve woodland, pasture, and range conditions; and reduce upstream flooding; all to protect and enhance the natural resource base.
2. Inventory and monitoring to provide soil, water, and related resource data for land conservation, use, and development; guidance of community development; identification of prime agricultural producing areas that should be protected; use in protecting the quality of the environment; and to issue inventory reports of resource conditions.
3. Soil surveys are made to inventory the Nation's basic soil resources and to determine land capabilities and conservation treatment needs. Soil survey publications include interpretations useful to cooperators, other Federal agencies, and State and local organizations.
4. Snow survey water forecasting from basic data collected to provide estimates of annual water availability from high mountain snow packs and relating this to summer stream flow. Information is used by agriculture, industry, and cities in estimating future water supplies.
5. Operation of plant materials centers to assemble, test, and encourage increased use of plant species which show promise for use in the treatment of conservation problem areas.
6. Resource appraisal and program development to insure that programs administered by the Secretary of Agriculture for the conservation of soil, water, and related resources shall respond to the Nation's long-term needs. This program is authorized by the Soil and Water Resources Conservation Act, Public Law 95-192, November 18, 1977 (16 U.S.C. 2001).

SOIL CONSERVATION SERVICE (continued)

River Basin Surveys and Investigations - This program is authorized by the Watershed and Flood Prevention Act, Public Law 83-566, Section 6, August 4, 1954 (16 U.S.C. 1006). The program involves cooperation with other Federal, State, and local agencies in the conduct of river basin surveys and investigations, flood hazard analysis, and flood plain management assistance to aid in the development of coordinated water resource programs, including the development of guiding principles and procedures. SCS represents the Department on the Water Resource Council, River Basin Commissions, and River Basin Interagency Committees for coordination among Federal departments and States.

Soil and Water Conservation Grants - This is a new program of matching grants to local units of government designed to supplement current levels of conservation effort. The program provides funds which may be used for technical assistance within nationally designed geographic areas having critical erosion or upstream flood damage problems. Within these areas, grant funds may be used to provide the conservation program enumerated in Section 1516(a) of the Agriculture and Food Act of 1981 (Public Law 97-98).

Watershed Planning - This activity is carried out under the Watershed and Flood Prevention Act, as amended, Public Law 83-566, August 5, 1954 (16 U.S.C. 1001-1008). The program consists of (a) making preliminary investigations to assess proposed small watershed projects in response to requests made by sponsoring local organizations and (b) assistance to sponsors in the development of watershed work plans. SCS is responsible for development of guiding principles and procedures.

Watershed and Flood Prevention Operations include the following activities:

1. Watershed operations authorized by Public Law 78-534 - SCS administers watershed works of improvement authorized by the Flood Control Act of 1944 (33 U.S.C. 701b-1).

Flood prevention operations include planning and installing works of improvement for flood prevention and for the conservation, development, utilization, and disposal of water. This may also include the development of recreational facilities and the improvement of fish and wildlife habitat. Activities are authorized in 11 specific flood prevention projects covering about 11 million acres.

2. Emergency Watershed Operations authorized by Section 216, Public Law 81-516, (33 U.S.C. 701b-1) and Sections 403-405, Public Law 95-334, (16 U.S.C. 2203-2205) - Emergency operations provide for the installation of emergency measures for runoff retardation and soil-erosion prevention, in cooperation with landowners and land users, as the Secretary deems necessary to safeguard lives and property from floods, drought, and the products of erosion on any watershed whenever fire, flood, or any other natural occurrence is causing or has caused a sudden impairment of that watershed.

SOIL CONSERVATION SERVICE (continued)

3. Small Watershed Construction authorized by Public Law 83-566, as amended, (16 U.S.C. 1001-1008) - This program provides for cooperation with local sponsors and State and other public agencies in the installation of planned works of improvement in approved watershed projects. Such works of improvement reduce erosion, floodwater, and sediment damage. They also further the conservation, development, utilization, and disposal of water, including the development of multipurpose facilities for such uses as recreation, improvement of fish and wildlife habitat, irrigation, and water supply to municipal and industrial users.

Loans are made to local organizations to help finance the local share of the cost of carrying out planned watershed and flood prevention works of improvement. Loans are made on an insured basis from the Agricultural Credit Insurance Fund administered by the Farmers Home Administration.

The Great Plains Conservation Program is authorized by Public Law 84-1021, as amended (16 U.S.C. 590p(b)). The program's objective is to bring about a long-term solution to problems resulting from drought and the cultivation of land unsuited for sustained crop production in the 10 Great Plain States. Activities include:

- (1) Cost-sharing of permanent conservation practices under long-term contracts with farmers and ranchers in designated counties in the 10 Great Plain States.
- (2) Cost-share programming and contract administration and technical assistance to help make needed land use adjustments and install conservation measures specified in basic conservation plans in accordance with contract schedules.

Resource Conservation and Development Program - Section 102 of the Food and Agriculture Act of 1962 (Public Law 87-703) (16 U.S.C. 1010-1011) and Sections 1528-1538 of the Agriculture and Food Act of 1981 (Public Law 97-98) provide authority to assist locally sponsored Resource Conservation and Development Projects to conduct programs of land conservation and use in areas where acceleration of present conservation activities are needed and where projects add economic opportunities for the people. The FY 1983 budget proposes to phase out the current program. Activity for FY 1983 will be limited to implementing measures required for termination, providing technical assistance on critical measures underway where financial assistance was obligated prior to FY 1979, and for servicing prior year loans.

RURAL ELECTRIFICATION ADMINISTRATION

Public Law 93-32, enacted May 11, 1973, amended the Rural Electrification Act of 1936, as amended, by establishing a Rural Electrification and Telephone Revolving Fund (RETRF) for the purpose of making loans to REA electric and telephone borrowers. These loans bear either 2 or 5 percent interest in accordance with criteria specified in the Act and have a maturity not to exceed 35 years. The Act also authorized REA to guarantee loans made by other lenders at rates and terms agreed upon between the lender and the borrower. In October 1976, Public Law 94-570 amended the Act, changing the statutory criteria used in determining eligibility for the special rate (2 percent) insured loans. The change in criteria corrected unintended inequities resulting from Public Law 93-32, bringing the number of borrowers eligible for the special rate more in line with Congressional intent and with borrowers' actual needs for funds at this rate.

On August 13, 1981, the Omnibus Budget Reconciliation Act, Public Law 87-35, was signed into law which further amended the Act. Changes affecting REA include the elimination of the special 2 percent interest insured loans from the RETRF except that the Administrator may make insured loans at a lesser rate, but not less than 2 percent, if the borrower has experienced extreme financial hardship or cannot provide service consistent with the objectives of the Act without charging rates so high that a substantial disparity results between such rates and those charged for similar services in the same or nearby areas by other suppliers. Loan applications on hand as of July 24, 1981, are still eligible for the special 2 percent interest rate.

Rural Telephone Bank - Public Law 92-12, approved May 7, 1971, amended the Rural Electrification Act of 1936, as amended, to establish the Rural Telephone Bank as a supplemental source of financing for the growing capital needs of rural telephone systems. Public Law 92-324, approved June 20, 1972, further amended the Act to permit the Secretary of the Treasury to purchase the Bank's debentures.

Public Law 93-32 further amended the Act and provided for bank borrowing authority of 20 times its paid-in capital and retained earnings. It also provided that the bank charge a single interest rate based on the average cost of money to the bank but not less than 5 percent per annum. Bank loans must be fully amortized over a period not to exceed 50 years. Nearly all loans to date have been for a 35-year period.

Rural Communication Development Fund - To serve both the cooperatives (not operated for profit) and the commercial borrowers, the program is authorized to utilize the Community Facility authority and the Business and Industrial authorities of the Rural Development Act of 1972. The objective of the Community Facility loan program is to make loans to organizations not operated for profit for the purpose of providing community antenna television service or facilities to rural areas comparable to those in urban areas. These loans are repayable in 35 years and bear interest not in excess of 5 percent. The Business and Industrial development loans or loan guarantees may be made to organizations organized and operated on a profit or nonprofit basis for the purpose of financing community antenna television service or facilities to rural areas comparable to those in urban areas. These loans are repayable in 35 years and bear interest at the cost of Treasury borrowing plus an increment to cover administrative costs.

RURAL ELECTRIFICATION ADMINISTRATION (continued)

During Fiscal Years 1979 and 1980, loan guarantees and administrative costs were funded from amounts authorized for or originally appropriated to the Farmers Home Administration. Starting Fiscal Year 1981, all applicable administrative costs were provided for in the REA Salaries and Expenses appropriation. Loan authority made available was provided for under the Rural Electrification Administration's separate account, the Rural Communication Development Fund.

The Administration has since determined that sufficient capital is available from private investors; therefore, it is more appropriate that this activity be financed by the private sector. However, REA must still administer the existing program.

FARMERS HOME ADMINISTRATION

FARMER PROGRAMS

Farm ownership loans - Loans are made to borrowers who cannot obtain credit elsewhere to improve or purchase farms, refinance debts, finance nonfarm enterprises, or make additions to farms. The interest rate for insured loans is determined by the Secretary of Agriculture and does not exceed the cost-of-money to the Government, plus up to 1 percent additional. However, loans to limited resource borrowers bear interest of not more than one-half of the cost-of-money and not less than 5 percent per year. The applicable interest rate may be increased by 2 percent if the project being financed involves the use of prime farmland for nonfarm purposes. The interest rate for guaranteed loans is negotiated by the lender and borrower.

Farm operating loans - Loans provide short-to-intermediate term production or chattel credit to farmers who cannot obtain credit elsewhere. Loan terms include a repayment period not to exceed 7 years but renewable for up to 7 additional years. The interest rate for insured loans is determined by the Secretary of Agriculture and does not exceed the cost-of-money to the Government, plus up to 1 percent additional. However, loans to limited resource borrowers bear interest at a rate 3 percent below the cost-of-money. The interest rate may be increased by 2 percent if the project being financed involves the use of prime farmland for nonfarm purposes. The interest rate for guaranteed loans is negotiated by the lender and borrower.

Emergency disaster loans - Loans are made to farmers in designated areas to restore production. A farmer who cannot get credit elsewhere is eligible for an actual loss loan of up to \$500,000 per disaster at an interest rate not greater than 8 percent. Emergency disaster annual production and major adjustments loans are also made to borrowers who cannot obtain credit elsewhere at the cost-of-money. Credit-worthy borrowers can obtain an actual loss loan up to \$500,000 per disaster but at an interest rate based on the rates prevailing in the private market for similar type loans.

Economic emergency loans - The loans are made to farmers and ranchers who are primarily and directly engaged in agricultural production. Loans for operation purposes are repayable in 7 years and can be extended but not for more than 20 years. Loans for real estate purposes will be repaid in not more than 40 years. The interest rate is determined by the Secretary of Agriculture based upon the cost-of-money to the Government, plus up to 1 percent additional. The law determining and authorizing economic emergency loans expires September 30, 1982.

Soil and water loans - Loans are made to associations, farmers, ranchers, and nonoperator owners for land and water development, use, and conservation. Loans are repayable in not more than 40 years. The interest rate for insured loans is determined by the Secretary of Agriculture and does not exceed the cost-of-money to the Government, plus up to 1 percent additional. Guaranteed loans bear an interest rate negotiated by the lender and the borrower.

FARMERS HOME ADMINISTRATION (continued)

Irrigation and drainage loans - Loans are made to organizations primarily composed of farmers, ranchers, certain Indian tribes, and other rural residents for projects which include the application or establishment of soil conservation practices; the construction, improvement, or enlargement of facilities for drainage and the conservation, development, use, or control of water, primarily serving farmers and other rural residents. Loans are repayable in not more than 40 years. The interest rate is determined by the Secretary of Agriculture but may not be less than the cost-of-money to the Government.

Grazing loans - Loans are made to associations of three or more ranchers for the purchase of grazing land to permit expansion of herds. Loans are repayable in not more than 40 years. The interest rate is determined by the Secretary of Agriculture but may not be less than the cost-of-money to the Government.

Indian tribe land acquisition loans - Loans are made to qualified Indian tribes or tribal corporations to acquire land or interest in land within the tribes' reservation or Alaskan community, as determined by the Secretary of the Interior. The interest rate is determined by the Secretary of Agriculture. It does not exceed the cost-of-money to the government, plus up to 1 percent additional, except those tribes that are unable to pay the higher rate may be charged interest at a rate not more than one-half of the cost-of-money and not less than 5 percent per year. Loans are repayable in not more than 40 years.

Recreation loans - Loans are made to farmers and ranchers for converting all or a portion of the farm or ranch they own or operate to outdoor income-producing recreation enterprises which will supplement or supplant farm income and permit carrying on sound and successful operations. Loans are repayable in not more than 40 years. The interest rate is determined by the Secretary of Agriculture and does not exceed the cost-of-money to the Government, plus up to 1 percent additional.

HOUSING PROGRAMS

Subsidized housing loans - Loans are made to repair or purchase new or existing individual housing. Low income families meeting certain criteria may qualify for interest credit to reduce the effective interest rate for the borrower to as low as 1 percent. Loans are repayable over a 33-year period.

Unsubsidized housing loans - Insured loans are made to repair or purchase new or existing individual housing in rural areas for persons of moderate income and low income persons who do not qualify for subsidized credit. The interest rate charged the borrower is based on Treasury's cost-of-money, and the term for repayment is 33 years.

FARMERS HOME ADMINISTRATION (continued)

Rural rental and cooperative housing loans - Insured loans are made to individuals, corporations, associations, State or local public agencies, trusts, or partnerships to provide moderate cost rental or cooperative housing and related facilities for elderly persons and other persons of low or moderate income in rural areas. These loans are repayable in not more than 50 years, and the interest rate to the borrower is based on Treasury's cost-of-money with provisions for interest reductions under certain circumstances. These loans, with the exception of loans to State or local public agencies, are made only if the need for necessary housing cannot be met with financial assistance from other sources.

Rental assistance payments - Payments are made to owners of rental projects to reduce the rents paid by low-income tenants to no more than 25 percent of their adjusted incomes. The payments make up the difference between the tenant's payment and the approved rental rate established for the unit.

Very low-income housing repair loans - Direct repair and improvement loans of up to \$7,500 are made at a 1 percent interest rate for not more than 20 years to very low-income families who are owners of farms or nonfarm rural property to repair or improve their dwellings in order to make them safe and sanitary or to remove health hazards to the families or the community.

Very low-income housing repair grants - Repair and improvement grants up to an amount of \$5,000 are made to very low-income elderly persons who are unable to repay a loan, to make necessary repairs to their dwellings in order to make them safe, and remove health hazards to the families or the community.

Farm labor housing loans - Loans are made to farm owners, to public or private nonprofit organizations, or the nonprofit organizations of farmworkers to provide modest living quarters, basic household furnishings, and related facilities, including land necessary for an adequate site, for domestic farm labor. These loans are repayable in not more than 33 years and bear interest not in excess of 1 percent except under certain circumstances when the interest rate limitation may be waived by the Secretary in order to provide housing and related facilities for migrant domestic farm laborers. Loans to organizations may be made simultaneously with farm labor housing grants.

Farm labor housing grants - Grants are made to public or broad-based private nonprofit organizations, state or political subdivisions, or nonprofit organizations of domestic farmworkers. Grant assistance, not to exceed 90 percent of the total development costs, is provided for new structures or rehabilitation of existing buildings suitable for dwelling use by domestic farm labor. Funds also may be used for essential related facilities such as dining halls, community rooms or buildings, infirmaries, or other essential services including basic household furnishing. These grants may be made simultaneously with farm labor housing loans.

Site development loans - Loans are made for purchase and development of land to be subdivided into building sites and sold on a nonprofit basis to low- and moderate-income families or to organizations for rental or cooperative housing. Insured loans are made at an interest rate based on Treasury's cost-of-money for a 2 year period.

FARMERS HOME ADMINISTRATION (continued)

Mutual and self-help housing grants - Grants are especially designed to aid the development of mutual or self-help housing programs under which groups of families build their own homes by mutually exchanging labor. Grants are used to provide technical and supervisory assistance to families who build their homes by the self-help method.

Self-help site development loans - Direct site loans are made at 3 percent interest for a 2-year period to develop building sites for sale in connection with self-help projects.

Compensation of construction defects - These payments are made to eligible Section 502 borrowers to pay for making structural repairs on newly constructed dwellings built or purchased as approved by the Agency. The assistance must be requested by the owner of the property within 18 months after the loan is closed or final construction inspection is made. The builder would continue to bear primary responsibility under his contract to assure that the dwelling meets acceptable standards. Claims for payments under this program are considered only after every effort has been made to gain full recourse under the builder's warranty.

COMMUNITY DEVELOPMENT PROGRAMS

Community facility loans - Loans are authorized to be made to public, quasi-public, and nonprofit associations and to certain Indian tribes for essential community facilities including necessary related equipment. Loans are repayable in not more than 40 years. These loans bear interest not in excess of the current market yield for comparable municipal obligations, except those loans made in areas where the average income falls below the poverty level and the project is needed to meet health and safety standards bear interest not in excess of 5 percent. A surcharge of 2 percent may be added to the interest rate for projects built on prime farmland when an alternative site is available.

Water and waste disposal loans - Loans are authorized to be made to public, quasi-public and nonprofit associations and to certain Indian tribes primarily for replacement or upgrading of water systems and waste disposal systems. These loans are repayable in not more than 40 years and bear interest not in excess of the current market yield for comparable municipal obligations, except those loans made in areas where the average income falls below the poverty level and the project is needed to meet health and safety standards bear interest not in excess of 5 percent.

Water and waste disposal grants - Development grants are authorized to be made to public, quasi-public, and nonprofit associations and to certain Indian tribes for the development, storage, treatment, purification, and distribution of domestic water or the collection, treatment, or disposal of waste in rural areas. Grants may not exceed 75 percent of the development costs of the projects and supplement other funds borrowed or furnished by applicants to pay development costs.

FARMERS HOME ADMINISTRATION (continued)

Business and industrial loans - Loans are authorized to be made to public, private, or cooperative associations organized for profit or not for profit, to certain Indian tribes or tribal groups, or to individuals for the purpose of improving, developing, or financing business, industry, and employment and improving the economic and environmental climate in rural communities. These guaranteed loans are made at rates agreed upon by the borrower and lender with a maximum maturity of 30 years.

Alcohol production facility loans - Loans are authorized to be made to public, private, or cooperative associations organized for profit or not for profit, to certain Indian tribes or tribal groups, or to individuals for alcohol production facility projects that are technologically and economically feasible. These guaranteed loans are made at rates agreed upon by the borrower and lender with a maximum maturity of 30 years.

Watershed works of improvement and flood prevention loans - Loans are made to sponsors of projects approved for operation by the Soil Conservation Service. Loans are made to local organizations for installing, repairing, or improving watersheds and water storage facilities, purchasing sites or rights-of-way, and for related costs. These loans are repayable in not more than 50 years at an interest rate based on the average rate paid by the U.S. Treasury on obligations of similar maturity. Total loans outstanding on any one project may not exceed \$10,000,000.

Resource conservation and development loans - Loans are made to sponsors of projects approved for operation by the Soil Conservation Service. Loans are made to local organizations and individuals for planned conservation measures and works of improvement as specified in approved work plans. These loans are repayable in not more than 30 years, with repayment of principal and interest deferred up to 5 years, if necessary. Loans bear interest at a rate based on the average rate paid by the U.S. Treasury on obligations of similar maturity.

Energy impact area assistance grants - Grants are made to areas designated by the Governor of a State and approved by the Secretary of Energy to contribute to the development of areas impacted by coal or uranium development activities. The grants provide assistance for the development of growth management and housing plans, public facilities, and services. Funds are transferred from the Department of Energy.

Other rural development grants - Grants are provided from funds transferred from the Appalachian Regional Commission and other Federal organizations for cooperative efforts in rural development. The funded projects focus on basic needed facilities essential to the region's growth and economic development.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

The major objectives of APHIS are to protect the animal and plant resources of the Nation from diseases and pests. These objectives are carried out under two major areas of activity as follows:

1. Animal and plant disease and pest control - Survey, diagnostic, and quarantine activities are carried out to control, eradicate, or prevent the introduction of animal and plant diseases and pests. Control and eradication programs are conducted to combat existing diseases and pests.
2. Animal and plant health safety regulatory activities - The Agency performs other regulatory activities including the development of standards for and the licensing and testing of veterinary biologicals to insure their safety and effectiveness and the inspection of certain establishments which handle animals intended for research, exhibition, and pet purposes, as defined by law, to insure their humane treatment.

AGRICULTURAL MARKETING SERVICE

Through its marketing and regulatory programs, AMS promotes the orderly and efficient marketing and effective distribution of products from the Nation's farms.

AMS is responsible for implementing the following principal programs:

1. Market news service to provide timely, accurate, and unbiased market reports for all major agricultural commodities to assist farmers in determining when, where, and at what price to sell their products; and to provide reliable commodity price information for use by other interested parties in the agricultural marketing chain.

Market information is obtained through joint Federal/State efforts by both Federal and State reporters, who visit trading points at the time of transaction or gather data by telephone. Information collected by these reporters is analyzed and immediately disseminated to the agricultural community through mailed reports, telephone, newspaper columns, television, telegraph, and automatic telephone answering devices.

2. Inspection, grading, and standardization services to: (1) develop and apply standards of quality and condition for agricultural commodities and to use such standards in providing the language of commerce for those commodities through the grading and standardization programs--language which permits trade and commerce among buyers and sellers who need never see each other, but who, because they have been provided a common language which accurately describes the commodities in their transactions, are able to buy or sell with complete understanding and assurance of what is being traded; (2) participate and assist in the development of international agricultural standards; (3) maintain a uniform Government food specification system to provide a more efficient Federal food procurement service; and (4) provide continuous inplant inspection of all plants that manufacture liquid, frozen, or dried egg products, conduct quarterly inspection of egg handlers and hatcheries to insure the proper disposition of restricted eggs; and control the importation of egg products to insure that imported products are produced under an inspection system equivalent to the United States' system.
3. Market protection and promotion activities covering the administration of laws intended to prevent financial loss resulting from deceptive, careless, and fraudulent marketing practices, primarily through licensing or registration and auditing of books and records, and to provide assistance in the promotion and research of agricultural commodities in foreign and domestic markets through surveillance of activities conducted under the provisions of the Research and Promotion Acts.

AGRICULTURAL MARKETING SERVICE (continued)

4. Wholesale market development to enhance the marketing system of agricultural products in the United States by conducting research to determine more efficient and less costly marketing methods. The research is performed in cooperation with other Government agencies and private industry in an effort to improve the distribution of food products from the farm to the urban areas and within the urban areas from wholesale to retail facilities. Technical assistance is provided to municipalities interested in upgrading or creating wholesale market facilities.
5. Market supervision and assistance to: (1) protect producers against discriminatory practices by handlers and permit producers to engage in cooperative efforts; (2) promote an orderly flow of food from producers to retailers and consumers by informing these groups of the foods that are in short or abundant supply; and (3) provide administrative support necessary for the purchase of commodities for distribution under USDA food distribution programs to eligible outlets, and assistance to producers by removing agricultural commodities from regular market channels.

OFFICE OF TRANSPORTATION

The principal purpose of the Office of Transportation is to administer and coordinate the transportation programs of USDA to assure an efficient domestic and international transportation system for U.S. agricultural products.

The two main programs are:

1. Transportation Services represent agriculture's interests in regulatory matters; assist in obtaining adequate and reasonable transportation rates and services; and provide technical assistance directly to farmers, farm groups, shippers, exporters, carriers, USDA agencies, and other local, State, and Federal interests.
2. Transportation Research and Economic Analysis: identifies, evaluates and provides solutions to technological and economic problems associated with the transportation and physical distribution of farm supplies and products of agriculture.

FEDERAL GRAIN INSPECTION SERVICE

Grain Standards - The mission of the agency is to provide for the establishment of official U.S. Standards for grain and to insure the uniform application of the standards through a series of official inspection, weighing, weight certification, and supervision programs. Through these permissive and mandatory programs, FGIS aids in advancing orderly and efficient marketing and effective distribution of U.S. grain and other assigned commodities from the Nation's farms to domestic and foreign buyers. The establishment of grain standards as a common language of commerce facilitates trading among buyers and sellers who may never see each other but who use these standards to accurately describe the quality of the grain being traded. Based on a description of quality, these standards provide a common basis for transferring ownership. FGIS, acting as an impartial third party, assures that these standards are applied, and that weights are recorded, in a fair and accurate manner, thereby facilitating and protecting domestic and foreign grain trading.

Grain inspection and weighing - The amended U.S. Grain Standards Act requires the Service to provide Federal or delegated State original inspection and weighing services at export ports and Federal supervision at all locations. The supervision program includes supervision at export ports, by Federal inspectors and weighers, and licensed inspectors and weighers employed by eight delegated State agencies. The Agency supervises licensed inspection and weighing personnel employed by 83 designated State and private agencies performing non-export services at interior locations. The inspection and weighing programs utilize Federal and delegated State personnel for the mandatory inspection and weighing of outbound grain at export ports, and for the permissive inspection and weighing of inbound grain at export ports. Federal personnel also carry out nationwide appeal inspections and the inspection of rice and other assigned commodities.

AGRICULTURAL COOPERATIVE SERVICE

Advise and assist farmer cooperatives - Under the Agricultural Marketing Act, ACS is authorized to carry out responsibilities relating to the marketing aspects of cooperatives, including economic research and analysis and the application of economic research findings. In addition, ACS is authorized to work with institutions and international organizations on subjects relating to cooperatives.

ACS serves as the focal point of national activity involving agricultural cooperatives. The purpose of ACS is to help farmers help themselves by providing the assistance necessary to support and improve existing cooperatives and to help farmers organize new cooperatives.

The studies conducted by ACS, some through joint Federal/State efforts, are intended to provide farmers with information on financial, organizational, legal, social, and economic aspects of cooperative activity. In today's rapidly changing economic environment, ACS provides technical advice to assist farmer cooperatives in the development and operation of viable, profitable organizations serving the Nation's family farmers.

PACKERS AND STOCKYARDS ADMINISTRATION

The principal purpose of the Packers and Stockyards Administration programs is to maintain fair competition so as to bring to farmers and ranchers the true market value of their livestock and poultry. Consumers and members of the livestock, meat, and poultry industries are also protected against unfair business practices which could unduly affect meat and poultry prices. The programs comprise the following two broad areas:

1. Livestock Marketing activities are concerned with (a) competition and marketing practices, (b) scales and weighing, and (c) financial protection.
2. Packer and Poultry Marketing activities are concerned with competition and trade practices in (a) livestock procurement, (b) merchandising in the distribution of meat, and (c) poultry marketing and compliance with other requirements of the Act.

FOOD SAFETY AND INSPECTION SERVICE

The major objective of the Agency is to insure that the Nation's commercial supply of meat and poultry products are safe, wholesome, and correctly labeled and packaged as required by the Federal Meat Inspection Act and the Poultry Products Inspection Act.

The Meat and Poultry Inspection Program of the Food Safety and Inspection Service provides inplant inspection of all domestic plants preparing meat or poultry products for sale or distribution in commerce, reviews foreign inspection systems and establishments that prepare meat or poultry products for export to the United States, and provides technical and financial assistance to States which maintain meat and poultry inspection programs equal to Federal inspection.

HUMAN NUTRITION INFORMATION SERVICE

Human Nutrition Research and Information - HNIS activities fall into two broad categories including:

1. Research, Analysis and Technical Assistance is concerned with the conduct and Interpretation of applied research in human nutrition to improve professional and public understanding of the nutritional adequacy of diets and food supplies as well as the nutritive value of food and to develop knowledge needed to improve the nutritional quality of diets, thereby improving the general health of the American public.
2. Information Collection and Dissemination is concerned with the collecting, disseminating, and consulting on technical, educational, and nonprint material and information on food use, food management, and human nutrition problems.

FOOD AND NUTRITION SERVICE

The food assistance programs administered by the Food and Nutrition Service are intended to provide access to a more nutritious diet for families and persons with low incomes and encourage better eating patterns among the Nation's children. The programs are as follows:

1. Child Nutrition Programs - Working through State agencies, Federal assistance in cash and commodities is provided for use in preparing and serving nutritious meals to children while attending school, residing in service institutions, or participating in other organized activities away from home. This assistance is provided through the National School Lunch, School Breakfast, Summer Food Service and Child Care Food Programs. The purpose of this assistance is to help maintain the health and proper physical development of American children. Funds are also made available for Nutrition Studies, Nutrition Education and Training, and State Administrative Expenses. Funds for these programs are provided by direct appropriation and transfer from Section 32.
2. Special Milk Program - Federal cash assistance is provided to the States to reimburse eligible schools, child care institutions, and summer camps for part of the cost of fluid milk served to children. The States, however, may claim reimbursement for the full cost of milk served free to children eligible under regulations issued by the Secretary. Funds for this program are provided by direct appropriations.
3. Special Supplemental Food Programs (WIC) - For the WIC Program, Federal cash assistance is provided through State departments of health to local health clinics serving low-income areas. Supplemental food is made available by these clinics to pregnant, post-partum, and breastfeeding women, and to infants and children up to 5 years of age who have been determined by competent professionals to be at nutritional risk because of inadequate nutrition and income. Twenty percent of the total program funds is provided to the States for State and local administrative costs. For the Commodity Supplemental Food Program, supplemental foods are made available to low-income women, infants, and children residing in approved project areas. Cash assistance is also provided to distributing agencies to offset their operating expenses at 15 percent of the funds appropriated for commodities. Funds for these programs are provided by direct appropriation.
4. Food Donations Program - Currently, this program provides nutritious agricultural commodities to eligible low-income persons residing on Indian reservations and in the Trust Territories of the Pacific and the Commonwealth of the Northern Mariana Islands. Cash assistance is also provided to help defray the administrative expenses incurred by distributing agencies. In addition, commodities and cash-in-lieu of commodities are provided to the States for the Elderly Feeding Program for meals served in senior citizens centers and similar settings. These meals are the focal point in nutrition projects for the elderly which promote good nutrition and reduce the isolation of old age.

FOOD AND NUTRITION SERVICE (continued)

5. Nutrition Assistance for Puerto Rico - As a result of the Omnibus Budget Reconciliation Act of 1981, a block grant for Nutrition Assistance for Puerto Rico will be instituted beginning July 1, 1982. The block grant, which is intended to supplant the federally administered Food Stamp Program in Puerto Rico, will provide the Commonwealth with broader flexibility to establish a food assistance program that is specifically tailored to the needs of its low-income households.
6. Food Stamp Program - In cooperation with State welfare agencies, the Food and Nutrition Service helps persons and families with low incomes obtain a more nutritious diet. Food stamps are issued to participating households to enable them to purchase food in retail stores. All of the direct and indirect administrative costs incurred by the States are shared by the Federal Government on a 50-50 basis. If, however, States reduce their error rates below specified levels, they are eligible to receive enhance funding up to 65 percent. In addition, States may receive up to 75 percent of their costs incurred in developing food stamp computer systems. Seventy-five percent funding is also available for the costs of fraud investigations and prosecutions.

Other program costs under this account include printing and transporting coupons to authorized State agencies; processing and destroying redeemed coupons by Federal Reserve Banks; the cost of work registration and job search for able-bodied food stamp participants; and research, evaluation, and demonstration projects. Funds for this program are provided by direct appropriation.

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT

Coordination of international scientific exchange and research - OICD's responsibilities are to manage, facilitate, and/or execute the Departmental policies and programs concerned with cooperative international agricultural research and exchange and to assist developing nations to improve their agricultural production and rural development institutional capabilities to combat hunger and malnutrition.

OICD directs AID and country-funded international training and technical assistance, manages USDA's participation in cooperative programs of international scientific exchange and research for which there are mutual benefits, facilitates USDA's collaboration with the university community in international scientific cooperation programs, and participates in the formulation and evaluation of food aid development projects (Public Law 480, Title I and III).

OICD is the lead agency in the planning of international agricultural development policy, the formulation and review of agricultural assistance efforts, and the development of scientific exchanges with other countries. It is responsible for Departmental liaison with national and international organizations responsible for food and agriculture in international development and facilitates their access to U.S. scientific and institutional resources.

USDA's extensive foreign technical assistance and international training programs traditionally are funded on a reimbursable basis from AID. In addition, USDA enters into direct reimbursable agreements with foreign governments and international organizations for technical assistance and training projects.

FOREIGN AGRICULTURAL SERVICE

The Foreign Agricultural Service (FAS) maintains a worldwide agricultural intelligence and reporting service to provide U.S. farmers and traders with information on world agricultural production and trade that they can use to adjust to changes in world demand for U.S. agricultural products. This is done through a continuous program of reporting by 74 posts located throughout the world covering some 110 countries. Reporting includes information and/or data on foreign government policies, analysis of supply and demand conditions, commercial trade relationships, and market opportunities. It is now beginning to use advanced computer and telecommunications technology to improve and speed the flow of information between the posts and Washington.

FAS analyzes foreign agricultural information essential to the assessment of foreign supply and demand conditions in order to provide estimates of the current situation and to forecast the export potential for specific U.S. agricultural commodities. Published economic data about commodities are combined with attache reports and subjected to analysis through advanced econometric techniques to generate these estimates.

Development of foreign markets - The service develops foreign markets for U.S. farm products through effective market expansion activities. It provides services to the U.S. and foreign agricultural trade sectors that are necessary to establish, build, and maintain overseas markets for U.S. agricultural products. The Agricultural Trade Act of 1978 includes authority to establish up to 25 Agricultural Trade Offices. Currently, 10 such offices are in operation at key foreign trading centers to assist U.S. exporters, trade groups, and State export marketing officials in trade promotion.

Formulation of trade policies - The service initiates, directs, and coordinates the Department's formulation of trade policies and programs with the goal of maintaining and expanding world markets for U.S. agricultural products. It monitors international compliance with bilateral and multilateral trade agreements. It identifies restrictive tariff and trade practices which act as barriers to the import of U.S. agricultural commodities, then supports negotiations to remove them. It supports agricultural trade and cooperation agreements with centrally planned economies when this type of mechanism best contributes to the development of markets for U.S. agricultural exports.

Administer agricultural commodity export programs - The Service formulates policies and administers agricultural commodity export programs including: Public Law 480 which facilitates the sale of agricultural commodities on a long-term credit basis and the donation of agricultural commodities to foreign governments, intergovernmental and voluntary agencies, and the World Food Programs; Commodity Credit Corporation (CCC) export credit guarantee program; and export programs authorized by the CCC Charter Act (barter, sales from CCC-owned stocks, and export payments). In addition, the Service administers programs for receiving, compiling, and publishing data on export sales of specified agricultural commodities.

FOREIGN AGRICULTURAL SERVICE (continued)

Public Law 480

The following activities are currently being carried out under the Agricultural Trade Development and Assistance Act of 1954, Public Law 480, 83rd Congress, as amended:

Public Law 480, Title I/III - Financing agricultural export sales to developing nations - Title I of the legislation authorizes financing of sales of agricultural commodities for convertible foreign currencies and for dollars on credit terms, including commodities exported under Title III Food for Development Programs. Sales for dollars or convertible foreign currencies may be made with foreign governments or U.S. and foreign private trade entities. Credit terms, as favorable to the U.S. as the economy of the foreign country will permit but not less than for development loans made under Sections 122(a) and 122(b) of the Foreign Assistance Act of 1961, as amended, are allowed under the legislation.

Public Law 480 Title II - Emergency international food donations - (Title II) (7 U.S.C. 1721-1726). Commodities are supplied without cost to friendly nations and friendly peoples in times of famine or for other emergency relief needs, to combat malnutrition, and to promote economic and community development in underdeveloped countries. The Corporation pays ocean freight on shipments under this title and may also pay overland transportation costs to a landlocked country. Each year up to \$7.5 million of foreign currencies accruing under Title I may be purchased from this appropriation to meet costs of self-help activities (other than personnel and administrative) of cooperating groups.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

ASCS conducts its programs in the field through a number of offices. Agricultural Stabilization and Conservation State and county committees are responsible for local administration of a variety of programs dealing directly with the farmer. Through the farmer-elected Agricultural Stabilization and Conservation (ASC) county committees, the Service also obtains recommendations and advice in the formulation of program plans and policies. There are 50 ASC State committees and 3,052 county committees. The Washington headquarters offices and various field offices, including the Kansas City Commodity Office and Management Field Office, are the principal staff offices for carrying out activities of the Commodity Credit Corporation. Such functions include accounting for loans and purchases; acquisition, management, storage, and disposition of commodities; and related transportation and accounting activities.

The principal programs related to ASCS operations are as follows:

1. Dairy Indemnity Program - This program funds indemnity payments to dairy farmers and manufacturers of dairy products.

The Dairy Indemnity Program was authorized by Public Law 88-452, the Economic Opportunity Act of 1964 (78 Stat. 508), and is extended through September 30, 1985, by the Agriculture and Food Act of 1981. Under this program, payments are made to farmers who are directed to remove their milk from commercial markets because the milk contains residues of chemicals which have been registered and approved by the Federal Government, of other chemicals and toxic substances, or of nuclear fallout. The authority also provides indemnity payments for cows producing such milk.

The Agricultural Act of 1970 (84 Stat. 1382) broadened the indemnification authority to include manufacturers of dairy products whose products become contaminated with residues of chemicals which have been registered and approved by the Federal Government.

2. Agricultural Conservation Program - The FY 1983 budget proposes a consolidated conservation program to include the objectives of the Agricultural Conservation Program, Emergency Conservation Program, Forestry Incentives Program, and Water Bank Program. The program is authorized by Sections 7 to 15, 16(a), and 17 of the Soil Conservation and Domestic Allotment Act, as amended, and supplemented; Sections 1001 to 1008 and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973; Cooperative Forestry Assistance Act of 1978, Water Bank Act, as amended; and Sections 401, 402, and 404 of Title IV of the Agricultural Credit Act of 1978.

Program objectives are met through a nationwide incentives program to (1) help farmers conserve soil, water, woodland, and energy and abate pollution on or from agricultural lands; (2) encourage the development, management, and protection of nonindustrial private forest lands, increase production of timber and pulpwood, and enhance other forest resources;

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE (continued)

(3) prevent the serious loss of wetlands and preserve, restore, and improve wetlands; (4) restore to normal agricultural use farmlands damaged by wind erosion, hurricanes, floods, or other natural disasters, as designated by ASC county committees; and (5) encourage water conservation and water enhancement practices and provide drought emergency assistance to eligible persons during periods of severe drought as determined by the ASCS Deputy Administrator for State and County Operations.

The Agricultural Conservation Program's (ACP) basic orientation is soil and water conservation, pollution abatement problem-solving, emergency conservation assistance, forestry incentives, and wetland preservation. Farmers and landowners receive cost-share assistance (or annual payments in the case of wetland preservation practices) for enduring soil and water, wetland, forestry, or emergency conservation practices that would not be carried out without ACP assistance. Payment is provided at levels needed to get the work performed. The program is developed and operated by county ASC committees in consultation with national, State, and county ACP development groups and receives technical assistance from SCS, FS, and State forestry organizations.

3. Rural Clean Water Program - This 2-year experimental program was authorized by the Agricultural Appropriation Act of 1980 (Public Law 96-108) and by the Agricultural Appropriation Act of 1981 (Public Law 96-528). The program is a cooperative endeavor between farmers, various USDA agencies, and EPA to develop and test policies, procedures, and methods for controlling agricultural nonpoint source water pollution and improving water quality in rural areas. Nationwide in scope, the voluntary program provides long-term (3 to 10 years) financial and technical assistance for the installation and maintenance of Best Management Practices (BMP's) to control water pollution. Participants must be owners or operators of agricultural lands whose farms have sources identified as contributing to critical water quality problems in selected project areas. Participants must agree to carry out treatment measures required by an approved water quality plan. The effectiveness of BMP's in reducing identified pollutants entering a stream or lake or leaving their source is evaluated under the ongoing program.
4. Administration of Commodity Credit Corporation Programs - Various commodity price support and related programs have been authorized in numerous laws since the early 1930's. Operations under these programs are financed through the CCC. Personnel and facilities of ASCS are used in the administration of CCC programs. The Administrator of ASCS is ex-officio Executive Vice President of the Corporation.

FEDERAL CROP INSURANCE CORPORATION

The Federal Crop Insurance Corporation (FCIC) provides an actuarially sound cost-sharing insurance program for agricultural producers to protect their production investment against essentially all unavoidable risks. The expanding crop insurance program constitutes a joint effort by the private insurance industry and the Government. The private insurance companies and agents are being utilized in the delivery of the program to the farmers.

The FCIC Program comprises the following major activities:

- (1) underwriting, actuarial, and program development, involving the development of crop insurance programs and the establishment and maintenance of rates and coverages for crops in each county;
- (2) marketing and collections covering all aspects of marketing, including the development of marketing policies and programs, and the collection of premiums; and
- (3) contract servicing and claims, which have to do with servicing the insurance contracts, crop inspections, and loss adjustment.

Crop insurance offered to agricultural producers by the Corporation provides protection from losses caused by unavoidable natural hazards, such as insects, plant diseases, fire, hail, drought, excessive moisture, freeze, wind, and other weather conditions. It does not insure profit for the farmer nor cover avoidable losses resulting from negligence or failure to observe good farming practices.

The various crop insurance programs are planned, developed, and monitored by the FCIC headquarters offices located in Washington, D.C., and Kansas City, Missouri. The program is administered in the field through 18 field operations offices and 10 field actuarial offices. Selling and servicing the insurance at the county level was performed in the past primarily by FCIC employees (mostly part-time), a limited number of ASCS offices, and commissioned agents. Under new legislation effective with the 1981 crop year, sales and servicing at the county level will be performed primarily by licensed private insurance agents, agency sales and service agreements (master marketing agreements), and reinsured companies. The adjustment of losses will be performed by: (1) FCIC employees and adjusters under contract with FCIC; and (2) reinsured companies under contract with FCIC. Also, ASCS will perform some loss adjustment support on a reimbursable basis for the Corporation. The Kansas City, Missouri, offices process all insurance documents; record the detailed accounting and statistical data; and prepare the required accounting, statistical, and management reports. This function is essentially all automated.

COMMODITY CREDIT CORPORATION

The Commodity Credit Corporation (CCC) is a wholly-owned Government corporation created in 1933 to stabilize, support, and protect farm income and prices; to help maintain balanced and adequate supplies of agricultural commodities, their products, foods, feeds, and fibers and to help in their orderly distribution. CCC was originally incorporated under a Delaware charter and was reincorporated June 30, 1948, as a Federal corporation within the Department of Agriculture by the CCC Charter Act, approved June 29, 1948 (15 U.S.C. 714).

The principal operations conducted by CCC are support programs for agricultural commodities, including the storage, handling, and disposition of commodities acquired under the programs; set-aside or acreage reduction, deficiency, disaster, and/or diversion payment programs for feed grains, wheat, rice, and cotton and special activities, such as those under the Agricultural Trade Development and Assistance Act of 1954, as amended (Public Law 480), which are financed by appropriations authorized by statutes providing for the activities. Under Section 4(e) of the Food for Peace Act of 1966, as amended, CCC may finance short-term export credit sales on credit terms not to exceed 3 years under the Export Credit Sales Program. The Corporation is also authorized by Section 4(b) of the Food for Peace Act of 1966, as amended, to finance intermediate-term export credit sales in excess of 3 years but not more than 10 years. The Corporation is also authorized under its charter authority to enter into export guarantee financing arrangements with respect to exported commodities.

Management of the Corporation is vested in a board of directors, subject to the general supervision and direction of the Secretary of Agriculture who is an ex-officio director and chairman of the board. The board consists of seven members, in addition to the Secretary, who are appointed by the President of the United States, by and with the advice and consent of the Senate. Officers of the Corporation are designated according to their positions in the Department of Agriculture.

The activities of the Corporation are carried out mainly by the personnel and through the facilities of the Agricultural Stabilization and Conservation Service and the Agricultural Stabilization and Conservation State and county committees. The Foreign Agricultural Service-General Sales Manager, other agencies and offices of the Department, and commercial agents are also used to carry out certain phases of the Corporation's activities.

ASCS administers CCC's activities through its headquarters offices in Washington, D.C., and the Kansas City Commodity Office and Management Field Office.

The ASC State and county committees carry out certain of the Corporation's support and related activities within the States and counties. There are 50 State offices, an insular area office in Puerto Rico, and approximately 2,743 county offices. The ASCS State committees supervise the activities of the ASCS county committees in their respective States.

ECONOMIC RESEARCH SERVICE

The principal function of ERS is to serve the critical need for timely and reliable agricultural economic research and information (research, forecasts of major agricultural economic indicators, policy analysis, and data) that addresses the multitude of economic concerns and the decisionmaking needs of farmers, extension workers, private analysts, processors, marketers, input suppliers, and policy officials in the Federal Government, Congress, and State and local governments.

Many of the activities of ERS are carried out in cooperation with other publicly funded research institutions--principally other Federal agencies and State universities. Principal agencies requesting work by ERS under reimbursable agreements are the Soil Conservation Service, Farmers Home Administration, Agricultural Stabilization and Conservation Service, Food and Nutrition Service, Forest Service, Foreign Agricultural Service, Environmental Protection Agency, and Agency for International Development.

STATISTICAL REPORTING SERVICE

The primary responsibilities of SRS are the development and dissemination of national and State agricultural statistics, statistical research, and coordination of the Department's statistical programs as authorized under the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627).

SRS programs are conducted in the following major areas:

1. Crop and Livestock Estimates - This area includes estimates of production, supply, price, and other aspects of the agricultural economy; conduct of enumerative and objective measurement surveys; preparation and issuance of the official national and State estimates and reports of the Department relating to acreages, types and production of farm crops, number of livestock on farms, livestock products, stocks of agricultural commodities, value and utilization of farm products, prices received and paid by farmers, and other subjects as required.
2. Statistical Research - This area includes review, clearance, coordination, and improvement of statistics in the Department and research on and development of improved statistical techniques used in gathering and evaluating statistical data, including use of satellite data.
3. Work Performed for Others - Services are performed for other Federal and State agencies on a reimbursable or advance payment basis. These services consist primarily of conducting surveys and performing related statistical data collection activities. They also include technical consultation and support and technical assistance programs abroad under participating agency service agreements.

WORLD AGRICULTURAL OUTLOOK BOARD

Coordinate collection and use of food and agricultural data - The WAOB serves as the single focal point for the Nation's economic intelligence related to domestic and international food and agriculture and is responsible for coordination and clearance review of all commodity and aggregate agricultural and food-related data used to develop outlook and situation material within the Department of Agriculture. The WAOB's primary objective is to improve the consistency, objectivity, and reliability of outlook and situation material developed in the Department.

WAOB functions include information dissemination, market surveillance; coordination of assessments of international and domestic agricultural developments; domestic agricultural developments; and coordination of weather, climate, and remote sensing research and forecasting techniques.

FOREST SERVICE

The Forest research

- Develops the scientific and technical knowledge needed for public land management activities on about one-third of the Nation's land area;
- Serves as an information reservoir for decisionmakers dealing with national policy issues in forestry;
- Addresses short- and long-term problems in basic and applied research which are not dealt with by the private sector;
- Provides information and guidance for small private forest landowners, small businessmen, State agencies and commissions, and individual citizens; and
- Supports international forestry through cooperation with other U.S. agencies, agencies of the United Nations, and foreign countries.

Through publications, symposia, workshops, and direct public contact, the Forest Service transfers its research findings to Federal, State, and local policy-makers and public and private land managers.

State and Private Forestry - Landowners need to be informed of investment opportunities, and they need assistance for forest management, planning, and protection. The cooperative programs of State and Private Forestry provide such assistance to increase forest resource productivity on these private lands.

The cooperative forestry programs are delivered through State Foresters or equivalent State officials in the 50 States plus Guam, Puerto Rico, and the Virgin Islands. The programs are authorized by the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313). Objectives for these programs are to:

- (1) Increase timber supplies, improve waterflows, and maintain fish and wildlife habitat by protecting forests and other nonfederal rural lands from fire.
- (2) Reduce direct losses of timber and prevent reductions in tree growth and quality of wood products through protection from damaging insects and diseases.
- (3) Assist landowners, operators, wood processors, and State and local agencies to:
 - Increase timber growth and harvests;
 - Improve efficiency and reduce waste in harvesting, processing, and marketing of wood products;

FOREST SERVICE (continued)

- Manage forest and range resources for their multiple uses; and
 - Promote rural community development and enhance forest values in urban areas.
- (4) Increase efficiency and productivity by assisting State forestry agencies in organization management, forest resource planning, and disseminating promising technology to potential users.

In contrast to the other cooperative forestry programs, forest pest management activities apply to all forest lands regardless of ownership. In addition to technical and financial assistance for State and private lands, this program includes prevention, detection, evaluation, and suppression activities on National Forest System (NFS) land and other Federal lands as well.

The cooperative programs are intended to encourage forestry investments from other funding sources, especially landowners and other levels of government. Administrative policy requires that Federal grants be matched at minimum rates by recipient States.

The National Forest System includes one-third of the Federal land in the U.S.--the 190 million acres of the NFS located in 44 States, Puerto Rico, and the Virgin Islands. NFS is a national resource which will not only return funds to the Treasury but will continue to have major environmental and social value for millions of Americans. A significant portion of the receipts for goods and services from these lands will be returned to the States for distribution to counties.

This program includes the management of the NFS lands for the welfare of the American people for:

- (1) Wood Products. Nearly one-third of the Nation's annual softwood harvest comes from NFS lands. A continuous supply of softwood is vital to producing the lumber and plywood needed to build homes and for other construction, as well as other wood products. NFS lands supply over one-half the Nation's standing softwood sawtimber.
- (2) Oil, Gas, and Other Minerals. About one-fourth of the Nation's total potential domestic energy resources are on (or under) NFS lands. They include:
 - About 50 billion tons of coal (12 billion of which have potential to be surfaced mined) in the National Forests in Montana, Utah, and Wyoming. Production levels will probably double or triple within the next few years as existing mines increase production and new mines start producing.

FOREST SERVICE (continued)

- About 20 million acres under lease for oil and gas purposes. Over 20,000 operating plans and lease applications are processed each year.
- About 17 million acres in eight western States with geothermal potential.

Adding some rare mineral resources, such as uranium, to this list, it is easy to see why mineral activity on National Forests and National Grasslands annually generate receipts of well over \$100 million from rents, royalties, sales, and bonus bids. This activity involves Forest Service efforts to encourage environmentally responsible exploration and development of the mineral resources, including efforts to streamline leasing procedures in cooperation with the Bureau of Land Management.

- (3) Outdoor Recreation. The National Forests are called "America's Playground," and rightly so, for each year they provide 40 percent of all recreation use of Federal lands. Each year the use of the forests for various recreational pursuits amounted to over 235 million visitor days--in other words, enough use for each American to have spent over 12 hours somewhere on a National Forest or Grassland. Among the facilities and sites available to them were:

- About 60 percent of the National Recreation Trails System, approximately 3,500 miles, some of which are designed for people with physical disabilities. This system is only a small part of the more than 101,000 miles of trail in the NFS.
- More than 4,000 campgrounds.
- Many of the commercial ski areas and popular cross-country ski areas are located wholly, or in part, on National Forests.
- Nine National Recreation Areas and all or part of 16 National Wild and Scenic Rivers.
- Twenty-five million acres (about 30 percent) of the National Wilderness Preservation System.

The Forest Service is exploring opportunities for increasing revenue from recreation use so it more nearly pays its way.

- (4) Livestock Grazing. More than 16,000 ranchers and farmers pay for permits to graze cattle, horses, sheep, and goats on the 102 million acres of grassland, open forests, and other forage-producing areas of the NFS.

FOREST SERVICE (continued)

- (5) Hunting, Fishing and Viewing. The National Forests and Grasslands are favorite places for millions of Americans to hunt and fish. In cooperation with the States, the Forest Service manages and improves wildlife and fish habitat to provide wildlife and fish-oriented use as well as commercial values. Nearly 50 million fisherman days occur on these lands. A commercial salmon catch valued in excess of \$65 million is harvested annually. Hunters spend over 80 million days in the field pursuing large game, such as elk, deer, and bighorn sheep; and small game, such as quail, grouse and waterfowl. Bird watchers, photographers, and others engaging in nature study spend over 7 million days per year enjoying the wildlife and fish resources.
- (6) Soil, Water, and Air. Much of the Nation's water supply flows from NFS lands. Forest land receives more precipitation per acre than most other kinds of land. Of the total annual yield of water on which the 11 western States depend, 55 percent is from the NFS. The timing and quality of water running off the mountain ranges are largely determined by conditions of the watershed and associated vegetation. One of the original purposes for establishing National Forests was to protect watershed conditions. Forest Service land managers are provided with scientific advice and technical direction to accomplish land and resource management programs in a manner that insures full consideration of soil, water, and air resources.
- (7) Real Estate and Special Uses. A wide variety of real estate activities are associated with managing the NFS. Among them are:
 - Providing for the needs of other ownerships. The gross area within NFS unit boundaries includes about 39 million acres of land belonging to others, such as private individuals, corporations, or the various States.
 - Exchanging land to improve ownership patterns.
 - Locating land lines. Land lines are located to identify legal boundaries between NFS and other ownerships.
 - Purchasing land. The Forest Service purchases land principally for purposes of regulating water flow and producing timber, recreation use, wildlife management, and endangered species.
 - Acquiring rights-of-way. The NFS each year acquires nearly 1,000 miles of rights-of-way for access to public land.

The special uses of the NFS are many and varied. With Federal and other government agencies, use is arranged through Interagency Agreements. For example, military operations are conducted on thousands of acres of NFS land each year. Others gain use of the land

Forest Service (continued)

by special permit. Between 60,000 and 70,000 special uses are authorized by permit, such as for TV antenna sites, private roads, and utility lines. Over \$2 million is collected in special land use fees annually.

- (8) **Transportation System and Structures.** The management of the NFS is supported by the world's largest network of roads and trails under a single jurisdiction--about 281,000 miles of permanent roads at the close of Fiscal Year 1982. Each year, thousands of miles of roads and more than 100 bridges are constructed or reconstructed in the NFS--the majority by timber purchasers. Further, the Forest Service manages 12,000 buildings. Since nearly half of them are 40 or more years old, replacement and maintenance needs are great.
- (9) **Land Management Planning.** The Forest and Rangeland Renewable Resources Planning Act of 1974 and the National Forest Management Act of 1976 require integrated planning for all NFS resources, such as recreation, fish and wildlife, water, timber, range, and wilderness. To implement these requirements, Forest Plans are under development for the 190 million acres of the NFS.

The Construction provides for the acquisition, construction, and improvement of building, utility systems, dams, recreation facilities, roads, bridges, trails, and other physical facilities including land acquisition for administrative sites when a part of the total project costs. Development projects, other than these, which are an integral part of the operating and research programs, are not included in this program but are financed from the regular operating and research program. Minor, unforeseen projects needed for fire administrative or other sites and estimated to cost less than \$50,000 may be financed from regular benefiting program funds.

Land Acquisition - The Weeks Act of March 1, 1911, provides for the acquisition of land to protect watersheds of navigable streams and for timber production. The Land and Water Conservation Fund Act of September 3, 1964 (78 Stat. 97, as amended, and 16 U.S.C. 460~~8~~-4 to 460~~8~~-11), provides funding for the acquisition of recreation lands and interests. The acquisitions are made under authorities of various acts and provide for high priority outdoor recreation opportunities within NFS.

Special Accounts - This program includes:

- (1) Provision of annual payments to the States from National Forest receipts for use for schools and roads. With a few exceptions, 25 percent of all money received during any fiscal year is paid to the States in which the forests are located for the benefit of public schools and roads of the county or counties in which the National Forests are situated. "Monies received" include all collections from sole area improvement activities, plus all amounts earned or allowed any purchaser of National Forest timber and other forest products, plus

any wood residue credit applied under Public Law 96-554, as well as from sales of wood residues less any residue credit applied, plus costs incurred by the Forest Service in processing and storing such residues. The amount of this appropriation varies each year in direct proportion to National Forest receipts, sole area improvement collections, and timber purchaser construction during the previous fiscal year;

- (2) The purchase of lands to minimize erosion and flood damage with appropriations from the receipts of specified National Forests;
- (3) Provision for cash equalization of certain land exchanges to acquire lands suitable for NFS purposes;
- (4) A range betterment program financed by appropriations from receipts from grazing fees; and
- (5) A self-sustaining revolving fund which provides services to National Forests, Experiment Stations, and other Federal agencies when necessary and to certain State and private agencies and persons who cooperate with the Forest Service in fire control and other programs.



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